

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 7

meeting date: 28 MAY 2019
title: CAPITAL OUTTURN 2018/19
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

- 1.1 The purpose of this report is to review the final outturn of the 2018/19 capital programme for this Committee and to seek member approval for the slippage of some capital scheme budgets from the 2018/19 financial year to the 2019/20 financial year.
- 1.2 Relevance to the Council's ambitions and priorities:
- Community Objectives – none identified.
 - Corporate Priorities - to continue to be a well-managed council providing efficient services based on identified customer need.
 - Other Considerations – none identified.

2 BACKGROUND

- 2.1 Fourteen new capital schemes for this Committee, totalling £712,200, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2018 and March 2018 respectively.
- 2.2 In addition to the original estimate budget, the following changes were approved:
- There were five 2017/18 capital schemes that were not completed by 31 March 2018 and budget was requested to be moved into 2018/19. The total budget requested to be moved on these schemes, £93,320, is known as slippage. This slippage was transferred into the 2018/19 capital programme budget, after approval by this Committee in May 2018.
 - One new scheme for a replacement hook lift vehicle, totalling £50,000, was approved by Policy and Finance Committee in June 2018. This is known as an additional approval.
- 2.3 As a result of the above, the total approved budget for this Committee's capital programme of twenty schemes was £855,520.
- 2.4 The revised capital programme budget of £812,930 was then approved by this Committee in January 2019, following a review of progress on each of the twenty schemes.
- 2.5 During the financial year this Committee has received reports monitoring the progress of schemes within the programme.
- 2.6 As part of the closure of accounts process, capital programme expenditure has been capitalised and added to the balance sheet or charged to revenue where appropriate.

3 CAPITAL OUTTURN 2018/19

3.1 Annex 1 shows this Committee's capital programme outturn position by scheme, including budget approvals, actual expenditure in-year and requested slippage into 2019/20. The table below summarises the final outturn position.

Original Estimate 2018/19 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Actual Expenditure 2018/19 £	Requested slippage into 2019/20 £
712,200	93,320	50,000	855,520	812,930	723,041	57,870

3.2 Actual expenditure on this Committee's capital programme was £723,041, which is 88.9% of the revised estimate budget.

3.3 Sixteen of the twenty capital programme schemes were completed in-year.

3.4 Four schemes were not completed in 2018/19, as follows:

- **Play Area Improvements 2018/19 (-£18,390):** A significant element of equipment replacement and refurbishment work, being undertaken by an external contractor across eight play areas, was in progress but not completed at the end of March 2019. It is estimated that this work will be completed by the end of June 2019. Slippage of £18,870 into 2019/20 is requested to fund this work.
- **Replacement Truck (Ford) c/w Tail Lift – PE60 KJJ (-£37,500):** The vehicle was ordered in October 2018. This is a specialist vehicle, built to a bespoke specification, so the build and delivery time is several months. Delivery is currently estimated to be in late May or early June 2019. Slippage of the £37,500 budget into 2019/20 is requested to fund this purchase.
- **Off-Street Car Parks – Update of Payment Systems (-£1,500):** The majority of the work on this scheme was completed in-year. However, the final element of work, lock changes to the vault area of the machines, was not completed by the contractor in-year. Slippage of £1,500 into 2019/20 is requested to fund this work in 2019/20.
- **All Weather Pitch Lighting (-£31,000):** Following the approval of the Edisford Sports Complex scheme in the 2019/20 capital programme, this scheme is now no longer needed and has been deleted from the capital programme.

4 OTHER ISSUES

4.1 In February 2019, Special Policy and Finance Committee approved the 2019/20 capital programme and this included the Edisford Sports Complex scheme requested by this Committee. The scheme has a tight implementation timeline, with completion scheduled for September 2019. This meant that preparations for the scheme started in 2018/19 and £2,292 was spent prior to 31 March 2019, as shown in Annex 1. The 2019/20 capital programme budget for this scheme will therefore be reduced by £2,290 to reflect this initial 2018/19 expenditure.

4.2 Following a review of the condition of some of the Council's vehicles, the replacement vehicles purchased on two of this Committee's capital schemes will replace different vehicles than originally envisaged when the schemes were bid for, as follows:

- The new ride on mower (registration PO68 BBK) purchased to replace the Kubota Mower PN09 KXP has instead replaced a John Deere Mower PN07 OWU, which is in a poor state of repair. The Kubota Mower PN09 KXP will now continue to be used until it is replaced in 2022/23 with a mower similar to John Deere Mower PN07 OWU - 2022/23 is when the John Deere Mower PN07 OWU was previously planned for replacement.
- The replacement Tail Lift vehicle which will be purchased to replace the Ford Tail Lift Truck PE60 KJJ will instead replace a High Top Transit Van PK06 HKA, which is in a poor state of repair. The Ford Tail Lift Truck PE60 KJJ will now continue to be used until it is replaced in 2022/23 with a high top transit van - 2022/23 is when the High Top Transit Van PK06 HKA was previously planned for replacement.

5 SLIPPAGE

5.1 Where capital schemes are not complete at year-end and budget is requested to be moved into the next financial year, this is known as slippage. For this Committee slippage of £57,870 is requested into 2019/20 for three schemes:

- Play Area Improvements 2018/19, £18,870.
- Replacement Truck (Ford) c/w Tail Lift – PE60 KJJ, £37,500.
- Off-Street Car Parks – Update of Payment Systems, £1,500.

5.2 Attached at Annex 2 are the individual "Request for slippage" forms. This Committee is asked to consider and approve these requests.

6 RISK ASSESSMENT

6.1 The risks associated with this report are set down below:

- Resources – There are no additional financing requirements needed for this Committee's 2018/19 capital programme. A sum of £57,870 has been set aside in the Council's capital resources to fund the schemes with identified slippage.
- Technical, Environmental and Legal – None.
- Political – None.
- Reputation – Sound financial planning for known capital commitments safeguards the reputation of the Council.
- Equality and Diversity – Equality and diversity issues are examined as part of the capital bid appraisal process.

7 CONCLUSION

7.1 Actual expenditure on this Committee's capital programme was £723,041, which is 88.9% of the revised estimate budget.

7.2 Sixteen of the twenty capital programme schemes were completed in-year and overall expenditure on these schemes was contained within the revised estimate budget set in January 2019.

7.3 Four schemes were not completed in 2018/19. Slippage of £57,870 has been requested to fund the completion of three of those schemes in the 2019/20 financial year. The other scheme is no longer needed and has been deleted from the capital programme.

8 RECOMMENDED THAT COMMITTEE

8.1 Consider the requests for slippage shown at Annex 2 and approve the slippage of the following budgets into the 2019/20 capital programme:

- Play Area Improvements 2018/19, £18,870.
- Replacement Truck (Ford) c/w Tail Lift – PE60 KJJ, £37,500.
- Off-Street Car Parks – Update of Payment Systems, £1,500.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM6-19/AC/AC

17 May 2019

For further information please ask for Andrew Cook.

BACKGROUND PAPERS – None

COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME OUTTURN 2018/19

Annex 1

Cost Centre	Scheme	Original Estimate 2018/19 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Actual Expenditure 2018/19 £	Requested slippage into 2019/20 £
PLAYS	Play Area Improvements 2018/19	40,000	0	0	40,000	40,000	21,610	18,870
REPWB	Replacement of Refuse Wheelie Bins	10,000	0	0	10,000	10,000	10,018	0
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station (Phase 2)	23,500	0	0	23,500	15,650	15,645	0
RVKXD	Replacement of Paper Collection Vehicle - VX55 KXD	49,000	0	0	49,000	42,250	42,247	0
RVYEK	Replacement of Refuse Collection Vehicle - PO60 YEK	222,500	0	0	222,500	219,690	219,689	0
VERTI	Purchase of Verti Drain Equipment	46,000	0	0	46,000	43,950	43,944	0
CPMHY	Replacement of Car Parking Van – Fiat Doblo PN09 MHY with an equivalent spec	13,000	0	0	13,000	9,740	9,740	0
RVPWL	Replacement of Garwood (12 tonne GVW) single bodied RCV with single multi-use vehicle – PN05 PWL	120,000	0	0	120,000	109,280	109,276	0
GVMVG	Replacement Mower (Haytor) - PN07 MVG	41,000	0	0	41,000	41,000	39,995	0
GVKXP	Replacement Mower (Kubota) - PN09 KXP	18,500	0	0	18,500	17,340	17,334	0
GVT SZ	Replacement Mini Tractor and Trailer (John Deere) - PN06 TSZ	12,000	0	0	12,000	12,000	11,802	0

COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME OUTTURN 2018/19

Annex 1

Cost Centre	Scheme	Original Estimate 2018/19 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Revised Estimate 2018/19 £	Actual Expenditure 2018/19 £	Requested slippage into 2019/20 £
GVKJJ	Replacement Truck (Ford) c/w Tail Lift - PE60 KJJ	37,500	0	0	37,500	37,500	0	37,500
EAWPL	All Weather Pitch Lighting	31,000	0	0	31,000	31,000	0	0
WVAZL	Replacement of IVECO Daily Crew Cab - PO60 AZL	48,200	0	0	48,200	46,000	44,500	0
PLAYR	Play Area Improvements 2017/18	0	12,940	0	12,940	12,300	12,298	0
CPPAY	Off-Street Car Parks – Update of Payment Systems	0	16,340	0	16,340	16,340	14,840	1,500
CMWIN	Castle Museum – Refurbishment of Windows	0	36,000	0	36,000	36,000	36,620	0
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	0	21,590	0	21,590	21,440	21,429	0
RPIMP	Ribblesdale Pool Improvement Work	0	6,450	0	6,450	6,450	6,452	0
GVVWG	Replacement of Hook Lift Vehicle – PN07 VWG	0	0	50,000	50,000	45,000	43,310	0
ESCPX	Edisford Sports Complex	0	0	0	0	0	2,292	0
Total Community Services Committee		712,200	93,320	50,000	855,520	812,930	723,041	57,870

**COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME
OUTTURN 2018/19**

Annex 2

Request for slippage into 2019/20

Cost Centre and Scheme Title	PLAYS: Play Area Improvements 2018/19
Scheme Description	Improvements to the Borough's eighteen play areas.
Head of Service	Mark Beveridge
Year Originally Approved	2018/19
Revised Estimate 2018/19 for the Scheme	£40,000
Actual Expenditure in the Year 2018/19	£21,610
Variance - (Underspend) or Overspend	(£18,390)
Please provide full reasons for the (under) or over spend variance shown above?	<p>Following playground inspections in Autumn 2018 and completion of various elements of playground refurbishment work by the in-house works administration and grounds maintenance teams by early 2019, it was decided that a significant element of equipment replacement and refurbishment work still required across 8 playgrounds should be undertaken by an external contractor.</p> <p>Following receipt of quotes, the preferred contractor for the work was chosen and an order for £18,865 was placed in March 2019. The work was in progress but not completed by the end of March 2019 - the contractor expects to complete the work over two to three months, subject to prompt delivery of equipment items from suppliers.</p>

Slippage Request

Please grant the amount of Budget Slippage from 2018/19 to 2019/20 requested.	£18,870
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered.	<p>Slippage will fund the cost of equipment replacement and refurbishment work being undertaken across 8 playgrounds by an external contractor, at an estimated cost of £18,865.</p> <p>If the slippage cannot be permitted the work will still need to be undertaken and will reduce the scope of work which can be carried out in the new financial year with the 2019/20 Play Area Improvements budget available.</p>
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	June 2019.

**COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME
OUTTURN 2018/19**

Annex 2

Request for slippage into 2019/20

Cost Centre and Scheme Title	GVKJJ: Replacement Truck (Ford) c/w Tail Lift – PE60 KJJ
Scheme Description	Purchase of replacement Tail Lift truck to allow continued use of such a vehicle by the Grounds Maintenance team.
Head of Service	Mark Beveridge
Year Originally Approved	2018/19
Revised Estimate 2018/19 for the Scheme	£37,500
Actual Expenditure in the Year 2018/19	£0
Variance - (Underspend) or Overspend	(£37,500)
Please provide full reasons for the (under) or over spend variance shown above?	The vehicle was ordered in October 2018. This is a specialist vehicle, built to a bespoke specification, so the build and delivery time is several months. Delivery is currently estimated to be in late May or early June 2019.

Slippage Request

Please grant the amount of Budget Slippage from 2018/19 to 2019/20 requested.	£37,500
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered.	To allow purchase of the replacement Tail Lift vehicle.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	June 2019.

**COMMUNITY SERVICES COMMITTEE – CAPITAL PROGRAMME
OUTTURN 2018/19**

Annex 2

Request for slippage into 2019/20

Cost Centre and Scheme Title	CPPAY: Off Street Car Parks – Upgrade of Payment Systems
Scheme Description	Upgrade seven car parking payment machines, by refurbishment, to enable the machines to accept chip and pin payments.
Head of Service	Adrian Harper
Year Originally Approved	2017/18
Revised Estimate 2018/19 for the Scheme	£16,340
Actual Expenditure in the Year 2018/19	£14,840
Variance - (Underspend) or Overspend	(£1,500)
Please provide full reasons for the (under) or over spend variance shown above?	The majority of the work was completed in-year. However, the final element of the work, lock changes to the vault area of the machines, was not completed by the contractor before year-end.

Slippage Request

Please grant the amount of Budget Slippage from 2018/19 to 2019/20 requested.	£1,500
Please give detailed information on the reasons for any request for slippage. Please provide as much information as possible in order to allow the request to be fully considered.	To complete the final element of the work, lock changes to the vault area of the machines.
By what date would the work or services related to any requested slippage be completed, if it were to be approved.	2019/20 financial year.